

# Utah Office of Tourism Board Meeting

Capitol Complex West Building  
Room 110

August 3, 2005  
12:30 p.m.

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## Present

### Board Members

Bob Bonar  
Steve Lundgren  
Georgianna Knudson  
Kim McClelland  
Camille Cain  
Mona Given  
Frank Jones

Bob Syrett  
Shelleice Stokes  
Hans Fuegi  
Jeff Robbins  
Colin Fryer  
Steve Burr

### Staff

Leigh Von der Esch  
Mike Deaver  
Dick Bradford  
Margaret Reiser  
Sheri Bintz

Elaine Watts  
Dave Williams  
Stacey Clark  
Stanley Nance  
Janice Carpenter

### Guests

Nan Anderson  
Pam Westwood  
Brice Wallace  
Tracie Cayford  
Nick Como  
Elaine Thatcher  
Neka Roundy  
Monique Beeley  
Red Oelerich  
Patti Denny  
John Bennion  
Martine Smith  
Zach Derr  
Clark Caras  
Sue Ferry  
Alison Weyher  
Mark Hurst  
Sue Winchester  
Jeff Wright  
Joan Hammer

### Organization

UTIC  
SLCVB  
Deseret Morning News  
DCED  
Alta Resort Assoc.  
Bear River Heritage Area  
Davis County Tourism  
Outdoor Utah  
Outdoor Utah  
Utah Tourism Office  
Olympic Parks of Utah  
Capitol Strategies  
Department of Commerce  
Department of Health  
Lobbyist  
Zions Bank  
W Communications  
W Communications  
W Communications  
Box Elder County

## **Welcome & Introductions**

Leigh von der Esch called the meeting to order and welcomed the new board members who have been appointed by the Governor. She noted that they have been asked to serve because the Governor is confident that the skills and expertise that they bring to the table will be very valuable as we utilize the funding that the Legislature has given us to promote the State of Utah. She asked the board members and the audience to introduce themselves.

## **Senate Bill 1002 Overview**

Leigh discussed the highlights of the bill which are:

- Board appointed by the Governor with consent for the Senate
- 13 members serve four-year terms
- Geographic and industry representation
- The board's office shall be in Salt Lake City
- Board has authority to approve a tourism program of out-of-state advertising, marketing, and branding
- Board will review office programs for coordination and integration of advertising and branding themes
- Board will advise the office in establishing a cooperative program and will approve the eligibility, advertising, and timing requirements and criteria for an approval process for applications
- Board may establish sub-committees for assisting the board in an advisory role only
- Board may not make policy related to the management or operation of the office (although it does approve the program of out-of-state advertising, marketing, and branding)
- Office is the tourism development authority of the state
- Office will develop a tourism advertising, marketing, and branding program for the state
- Must receive approval from the Board of Tourism Development before implementing the out-of-state advertising, marketing, and branding campaign
- Office will develop a plan to increase the economic contribution of tourists visiting the state
- Office will assist in coordination of activities of persons, firms, associations, corporations, travel regions, counties, and governmental agencies in promoting scenic attractions of the state
- Office shall conduct a regular and ongoing research program to identify statewide economic trends and conditions in the tourism sector of the economy
- Office shall provide an annual evaluation of the economic efficiency of the advertising and branding campaigns to the Legislature's Workforce Services and Community and Economic Development Interim Committee and the Economic Development and Human Resources Appropriations Subcommittee
- Administered by the Governor's Office of Economic Development
- Earns interest
- Director may use account monies appropriated to the office to pay for the statewide advertising, marketing, and branding campaign for promotion of the state as conducted by the office
- For the fiscal year beginning July 1, 2005 (and each subsequent year through year 10), the director shall allocate 7.5% of the monies appropriated to the office, but not to exceed \$750,000 to a sports organization for advertising, branding, and promoting Utah in attracting sporting events to the state
  - The sports organization must annually account the use of the monies to the director and the board
  - The sports organization must be a 501(c)(3) organization

- Appropriations from the General Fund: \$10 million for FY 2005-06 (year 1), \$4 million for FY 2006-07 (year 2)
- Possibility of additional \$4 million from surplus funds for FY 2006-07 (year 2), which would bring the total back up to \$8 million for FY 2006-07 (year 2)
- Performance-based funding mechanism takes effect in FY 2006-07 (year 2), with the cumulative performance based funds included in the account each year (years 3-10), providing the real growth of the account
- 20% of the account goes to a Cooperative Program for use by cities, counties, and nonprofit destination marketing organizations for advertising and to promote to out-of-state visitors

Note: The Tourism Marketing Performance Account is in addition to the operating budget of approximately \$3.9 million allocated to the tourism portion of the Governor's Office of Economic Development (formerly known as the Utah Division of Travel Development).

Leigh drew attention to the draft outline of the proposed Co-op Program that the staff and Nan Anderson have put together as a starting point for developing the final version. She noted that there are also copies of Co-op Programs for Texas and Missouri in their packets so the board members have other models to look at.

Kim asked if the Co-op Program would be ready for the upcoming winter season. Leigh responded that if we can have a meeting the last week of August to hammer out the program and then get the document prepared and tweaked in two weeks then we probably could.

## **Organizational Items**

Leigh handed out copies of the organizational chart and noted that she would be focusing on the tourism side today but will do a presentation about the film side at a later date. She also noted that there were copies of a budget breakdown in their packets. Shelleice thanked her for including that in the board packets since the industry has not had access to that information in the past.

She showed the brochure about the movie titled "The World's Fastest Indian" starring Anthony Hopkins that was filmed at the Bonneville Salt Flats in western Utah. The GOED board awarded the film \$500,000 from the Motion Picture Incentive Fund, which is administered by the GOED Board and the IAF Committee. The incentive fund requires an ROI connected to job creation in the motion picture industry. This movie is a good example of an opportunity to market the state to a wide audience, in addition to job creation in the motion picture industry.

Leigh reported that the following projects have been completed or are on-going: Passing of SB1002 by the legislature, research RFP submitted, advertising agency RFP and selection completed, county profiles completed, board members selected, office retrofit in the process, participation with familiarization tours, attendance at several trade shows, working on an on-line photo library, interaction with the Legislative Task Force and the Outdoor Recreation Task Force, as well as marketing activities that Mike will discuss.

Mike gave an overview of the Fall/Winter 2005-2006 Interim Advertising Plan that has been put together as directed by the previous board in the March 2005 meeting. He noted that two options were developed and based on feedback, they decided to proceed with the National Coverage Plan that will utilize National Public Radio, ski enthusiast publications, and travel/lifestyle magazines. The National Public Radio program will be broadcast the weeks of October 17 through December 15 with total impressions of 37,908,000.

The ski enthusiast publications program allowed us to partner with Ski Utah to participate in a co-op program at extremely discounted rates in Ski Magazine and Skiing Magazine. Advertising in a co-operative section allows us to lend the Utah branding message to the tactical messages provided by the resorts for an overall

higher impact presence. The Ski Magazine ad will appear in the November and December 2005 edition and the Skiing Magazine ad will appear in the October 2005 edition.

The travel lifestyle magazines were selected in order to reach the highest potential audience for Utah. Magazines were also selected based on regional delivery in key markets appropriate to Utah. The following publications were selected: Sunset Magazine November 2005, Delta Sky Magazine December 2005, Hemispheres Magazine, November 2005, Ski Utah Winter Vacation Planner for the 2005-06 winter season.

Mona commented that the Huntsman World Senior Games has put small ads in the in-flight magazines and have great response from them so she is pleased that we are doing that as well.

The Pay-per-Click is an online advertising methodology designed to generate traffic and hits to [www.utah.com](http://www.utah.com). We are currently spending \$8,000 per month to purchase words, phrases, and names that bring utah.com to the forefront of internet searches. We also participate in the major portals of google ad words and yahoo who distribute to a multitude of search engines. These portals provides maximum search results and our future plans will include even deeper methods to harness the increasingly powerful marketing tool of the internet.

Leigh noted that there is information in their binders regarding the research that we have purchased in order to measure the return and make certain that we are targeting the right audience. Dave Williams has prepared rough drafts of a couple of RFPs, one to look at our image and the other to verify that we are promoting the right assets within the state.

### **Tourism Task Force**

Leigh commented that a copy of the Tourism Task Force bill in the binders that as well as copies of some agendas. The Task Force consists of 12 members of the legislature and their charge is to review and make recommendations on a statewide cohesive tourism plan to eliminate duplication and facilitate joint ventures. Leigh and Mike have attended several of the meetings and have had an opportunity to give their input.

### **Chairman/Vice Chairman Recommendations**

Leigh commented that the bill states that the Governor shall appoint a chairman and vice chairman for this board, but he would like the board to make some recommendations. She asked the members if they would like to nominate some candidates.

**MOTION:** Bob Syrett made a motion to nominate Kim McClelland to serve as the chairman. It was seconded by Frank Jones and carried unanimously.

**MOTION:** Shelleice Stokes made a motion to nominate Colin Fryer to serve as the vice-chairman. Colin commented that he would accept the appointment if it does not significantly impact his time because of the travel demands. The motion was seconded by Camille Cain and carried unanimously.

### **Meeting Schedule**

There was some discussion as to when most of the board members would be available to attend a Board Retreat to finalize the Co-Op Advertising Plan. It was determined it will be held August 23 from 9 a.m.-1 p.m. with the location to be determined and lunch will be provided.

### **W Communications Presentation**

Leigh remarked that W Communications was selected as the new ad agency as a result of the RFP, and she introduced Mark Hurst who gave an overview of the agency. He began by using a diamond amongst cubic zirconium stones to demonstrate the challenge that Utah has in competing with the other 49 states as well as foreign countries to get the word out to potential tourists about what Utah has to offer. W Communications

will begin a process to develop a brand that can be used by tourism related entities throughout the state in advertising and promoting Utah. They will go around the state and gather information from people in all areas to help them determine what he called 'the look, soul, and sound of Utah'. He doesn't know what it is yet, but he will know it when he sees it. They will begin the process on Friday by meeting with the Tourism Office staff, will present it to the board sometime in October, unveil it in November at World Travel Market in London, do a full scale launch to targeted markets and to the legislature and local media in February. They are anxious to get started on this project and look forward to an exciting and prosperous adventure with the Utah Office of Tourism.